2018 Regular Session

HOUSE BILL NO. 671

BY REPRESENTATIVE NANCY LANDRY

SCHOOLS/EMPLOYEES: Provides relative to authorized payroll withholdings for professional organization dues and certain contracts with school boards

1	AN ACT
2	To amend and reenact R.S. 17:438 and R.S. 42:456(A)(1), relative to earnings withholdings
3	of certain employees and to certain contracts with school boards; to authorize city,
4	parish, and other local public school boards to retain a percentage of certain earnings
5	withholdings of school employees used for the payment of dues to professional
6	organizations to cover administrative costs; to provide relative to the effectiveness
7	of certain collective bargaining agreements; to provide exceptions; to authorize state
8	employee payroll withholdings for the payment of dues to professional associations
9	and organizations; to provide for effectiveness; and to provide for related matters.
10	Be it enacted by the Legislature of Louisiana:
11	Section 1. R.S. 17:438 is hereby amended and reenacted to read as follows:
12	§438. Permitted withholdings; exceptions
13	A. Any <u>A</u> teacher or other employee of a parish or city, parish, or other local
14	public school board may authorize his employing school board to deduct and
15	withhold from his earnings a specific amount for such pay periods as may be
16	designated, for the payment of regular dues owed by such teacher or other employee
17	to any organization of teachers or other school employees.

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

1	B. No deduction shall be made from the earnings of $\frac{any}{a}$ teacher or other
2	employee for the purpose permitted by this Section unless fifty or more teachers or
3	other employees or ten percent of the total number of employees, including teachers,
4	whichever is less have requested such deduction be made and the deduction is
5	specifically and voluntarily authorized in writing by the teacher or other employee.
6	If such authority is provided and a request for such deduction made, the school board
7	shall honor the request and provide for the deduction; however, if any system
8	documents to the satisfaction of the State Board of Elementary and Secondary
9	Education that it has already acquired payroll checks that will not accommodate the
10	request, the school board shall provide for such deduction as soon as possible but,
11	in no case later than the beginning of the school year following the request.
12	C. Any The amount withheld in accordance with the provisions of this
13	Section shall be remitted to the organization designated on a regularly scheduled
14	basis as determined by the employing board- except that the board may retain an
15	administrative fee of up to three percent of the amount to be remitted. The board
16	shall apply the same administrative fee to all competing organizations of teachers or
17	other school employees.
18	D. This Section shall not apply to a city, or parish, or other local public
19	school board operating under the terms of a collective bargaining agreement entered
20	into prior to July 1, 2018, applicable to teachers employed by the board. Any
21	collective bargaining agreement or other contract entered into on or after July 1,

22 <u>2018, that conflicts with this Section shall be void in its entirety.</u>

23 Section 2. R.S. 42:456(A)(1) is hereby amended and reenacted to read as follows:
24 §456. Permitted withholdings

25

A. Payroll deductions shall be authorized only for the following:

(1) Mandated federal or state income withholdings, credit unions,
 garnishments, liens, union dues, <u>dues to professional associations and professional</u>
 <u>organizations</u>, savings bonds programs, qualified United Way entities, health and life
 insurance products offered through the Office of Group Benefits, and products

1	having state participating contributions, sponsored by the Office of Group Benefits,					
2	which qualify and are offered	ed unde	er Secti	ion 125 of the Internal Revenue Code		
3	(Cafeteria Plan).					
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Section 3. This Act shall become effective on July 1, 2018.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 671 Engrossed	2018 Regular Session	Nancy Landry
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Abstract: Authorizes city, parish, and other local public school boards to retain an administrative fee of up to 3% of payroll withholdings of school employees (used for the payment of dues to professional organizations). Authorizes state employee payroll withholdings for the payment of dues to professional associations and organizations.

<u>Present law</u> (R.S. 17:438) provides that a teacher or other school employee of a parish or city school board may authorize such board to deduct and withhold from his earnings a specific amount for the payment of regular dues owed by the employee to any organization of teachers or other school employees. Provides that no deduction shall be made unless 50 or more employees request it and the deduction is authorized in writing by the employee. Requires that any amount withheld shall be remitted to the organization designated on a regularly scheduled basis as determined by the employing board. Specifies that <u>present law</u> does not apply to a parish or city school board operating under the terms of a collective bargaining agreement applicable to teachers employed by the board.

<u>Proposed law</u> retains <u>present law</u> but authorizes city, parish, and other local public school boards to retain an administrative fee of up to 3% of such withholdings and requires each board to apply the same administrative fee to all competing organizations of teachers or other school employee. Limits exception relative to boards with collective bargaining agreements to only those boards with agreements entered into prior to July 1, 2018. Provides that any collective bargaining agreement or other contract entered into on or after July 1, 2018, that conflicts with present law and proposed law shall be void in its entirety.

<u>Present law</u> (R.S. 42:456(A)) authorizes state employee payroll withholdings for the following:

- (1) Mandated federal or state income withholdings, credit unions, garnishments, liens, union dues, savings bonds programs, qualified United Way entities, health and life insurance products offered through the Office of Group Benefits, products having state participating contributions, sponsored by the Office of Group Benefits, that qualify and are offered under Section 125 of the Internal Revenue Code (Cafeteria Plan).
- (2) Products offered without state contributory participation that have been evaluated and approved in accordance with rules and procedures promulgated by the commissioner of administration.

(3) Donations to any qualified nonprofit community health and human services charities, coordinated and payable through the La. Assoc. of United Ways, upon written authorization from the employee, that has been evaluated and approved in accordance with rules and procedures promulgated by the commissioner of administration.

<u>Proposed law</u> additionally authorizes withholdings for the payment of dues to professional associations and organizations. Otherwise retains <u>present law</u>.

Effective July 1, 2018.

(Amends R.S. 17:438 and R.S. 42:456(A)(1))

Summary of Amendments Adopted by House

- The Committee Amendments Proposed by <u>House Committee on Education</u> to the <u>original</u> bill:
- 1. Provide that maximum administrative fee is based on the amount to be remitted instead of the amount withheld.